

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

In re:	:	Case No. 18-24070-GLT
	:	
ONEJET, INC.,	:	Chapter 7
	:	
<i>Debtor</i>	:	
	:	
WOODY PARTNERS, et al.,	:	Adv. No. 19-02134-GLT
	:	
<i>Plaintiffs,</i>	:	Related to Dkt. Nos. 239, 244, 263, 265,
	:	267, 269
v.	:	
	:	
MATTHEW R. MAGUIRE, et al.,	:	
	:	
<i>Defendants.</i>	:	
	:	

ORDER

This matter is presently before the Court upon the *Amended Complaint* filed by Plaintiffs, Woody Partners, *et al.* (the “Complaint”),¹ the *Motion to Dismiss Party* filed by Defendant, David Minnotte,² the *Motion to Dismiss Adversary Proceeding* filed by Defendants Boustead Securities, LLC and Robert Campbell,³ the *Motion to Dismiss Party* filed by Defendant Melvin Pirchesky,⁴ the *Motion to Dismiss Party* filed by Defendant Robert Lewis,⁵ the *Motion to Dismiss Adversary Proceeding* filed by Defendant Patrick Maguire,⁶ the *Motion to Dismiss Adversary Proceeding* filed by Matthew R. Maguire⁷ (collectively, the “Motions to Dismiss”) and the *Brief in Opposition* filed by the plaintiffs, Woody Partners, *et al.*⁸ On January 10, 2020, the

¹ Dkt. No. 216.
² Dkt. No. 239.
³ Dkt. No. 244.
⁴ Dkt. No. 263.
⁵ Dkt. No. 265.
⁶ Dkt. No. 267.
⁷ Dkt. No. 269.
⁸ Dkt. No. 300.

Court held a hearing on the *Motions to Dismiss* and the *Brief in Opposition*. For the reasons stated in the *Memorandum Opinion* issued contemporaneously herein, it is hereby **ORDERED**, **ADJUDGED**, and **DECREED** that:⁹

1. The *Motions to Dismiss* are **GRANTED** in part and **DENIED** in part as provided in this Order.

2. Count 1 of the Complaint for *Violation of Section 501 of the Pennsylvania Securities Act* (“PSA”) against Defendants Matthew Maguire and Patrick Maguire is:

- (a) **DISMISSED** as to Defendant, Patrick Maguire;¹⁰
- (b) **DISMISSED** as to all claims brought by the following Out-of-State Plaintiffs: Ronald Cindrich, Clariot New Albany, Cowen OJ Investment, LLC; DelMetro, Inc.; Stephen Einhorn; The Harding-Brown Family Trust; Timothy Hoeksema; Jeffrey Joerres; Dennis J. Kuester; Mitchell Elias Nahra, M.D.; William Nasgovitz; Ortech Ltd.; Triad Investments, Inc.; The Christian Luke Ronald Vadas 2016 Trust; The Simon Isaac Young Vadas 2016 Trust; Jerry R. Whitaker; Michael H. White; The Gregory S. Zenczak Family Dynasty Trust; and The Stephen J. Zenczak Family Dynasty Trust; and
- (c) **DISMISSED** as to all claims brought by the following Rule 9(b) Plaintiffs: Clement R. Austin, William Benter, Ronald Cindrich, DelMetro, Inc., Corina Diehl, Michael J. Lewis, North Star Coal Co. Non-Bargaining Employees Profit Sharing Plan, William Sarris, Sheertex Fabrics, LLC, Steven G. Smith, and David Tesone Group, Inc.¹¹

In all other respects, the request of Matthew Maguire to dismiss Count 1 of the Complaint is **DENIED**.

⁹ All capitalized terms not otherwise defined herein shall have the same meaning ascribed in the *Memorandum Opinion*.

¹⁰ Pursuant to the Court’s May 11, 2020 Order, the Estate of Patrick Maguire was substituted as a party defendant in place of Patrick Maguire. See Dkt. No. 342. All references to “Patrick Maguire” shall now refer to his estate.

¹¹ To the extent a plaintiff is listed more than once in a particular claim, the Court is identifying separate grounds upon which their claim is dismissed.

3. Count 2 of the Complaint for *Violation of Sections 403 and 501 of the PSA against Defendants Melvin Pirchesky, Robert Campbell, and Boustead Securities, LLC* is **DISMISSED**.

4. Count 3 of the Complaint for *Violation of Section 503 of the PSA against Defendants Matthew Maguire, Patrick Maguire, Melvin Pirchesky, Robert Campbell, and Boustead Securities, LLC* is:

- (a) **DISMISSED** as to Defendant, Matthew Maguire;
- (b) **DISMISSED** as to Defendant, Robert Campbell;
- (c) **DISMISSED** as to all claims brought by the following Out-of-State Plaintiffs: Ronald Cindrich, Clariot New Albany, Cowen OJ Investment, LLC; DelMetro, Inc.; Stephen Einhorn; The Harding-Brown Family Trust; Timothy Hoeksema; Jeffrey Joerres; Dennis J. Kuester; Mitchell Elias Nahra, M.D.; William Nasgovitz; Ortech Ltd.; Triad Investments, Inc.; The Christian Luke Ronald Vadas 2016 Trust; The Simon Isaac Young Vadas 2016 Trust; Jerry R. Whitaker; Michael H. White; The Gregory S. Zenczak Family Dynasty Trust; and The Stephen J. Zenczak Family Dynasty Trust;
- (d) **DISMISSED** as to all claims brought by the following Rule 9(b) Plaintiffs: Clement R. Austin, William Benter, Ronald Cindrich, DelMetro, Inc., Corina Diehl, Michael J. Lewis, North Star Coal Co. Non-Bargaining Employees Profit Sharing Plan, William Sarris, Sheertex Fabrics, LLC, Steven G. Smith, and David Tesone Group, Inc; and
- (e) **DISMISSED** as to Boustead and Pirchesky with respect to the Non-Broker Plaintiffs: Clement R. Austin, B5S, LLC, William Benter, Richard Berglund, Ronald Cindrich, Clariot New Albany, Cowen OJ Investment, LLC, DelMetro, Inc., Robert Denove, Corina Diehl, Stephen Einhorn, The Harding-Brown Family Trust, Timothy Hoeksema, Jeffrey Joerres, Scott Kern, Keith Kronk, Dennis Kuester, David Matter, Kenneth McCrory, Mitchell Elias Nahra, M.D., William Nasgovitz, North Star Coal Co. Non-Bargaining Employees Profit Sharing Plan, Susan Rosen, James V. Sacco, William Sarris, 7th Street Properties, LP, Sheertex Fabrics, LLC, Jack W. Shilling, Steven G. Smith, David Tesone Group, Inc., Derek J. Thomas, The Christian Luke Ronald Vadas 2016 Trust, The Simon Isaac Young Vadas 2016 Trust, Viking Reinsurance Company, Jerry R. Whitaker, and Michael H. White.

In all other respects, the request of Patrick Maguire, Boustead Securities LLC, and Melvin Pirchesky to dismiss Count 3 of the Complaint is **DENIED**.

5. Count 4 of the Complaint for *Aiding and Abetting Liability Under Common Law Principles against Defendants Matthew Maguire, Patrick Maguire, Melvin Pirchesky, Robert Campbell, and Boustead Securities, LLC* is:

- (a) **DISMISSED** as to Defendant, Robert Campbell; and
- (b) **DISMISSED** as to Boustead and Pirchesky with respect to the Non-Broker Plaintiffs: Clement R. Austin, B5S, LLC, William Benter, Richard Berglund, Ronald Cindrich, Clariot New Albany, Cowen OJ Investment, LLC, DelMetro, Inc., Robert Denove, Corina Diehl, Stephen Einhorn, The Harding-Brown Family Trust, Timothy Hoeksema, Jeffrey Joerres, Scott Kern, Keith Kronk, Dennis Kuester, David Matter, Kenneth McCrory, Mitchell Elias Nabra, M.D., William Nasgovitz, North Star Coal Co. Non-Bargaining Employees Profit Sharing Plan, Susan Rosen, James V. Sacco, William Sarris, 7th Street Properties, LP, Sheertex Fabrics, LLC, Jack W. Shilling, Steven G. Smith, David Tesone Group, Inc., Derek J. Thomas, The Christian Luke Ronald Vadas 2016 Trust, The Simon Isaac Young Vadas 2016 Trust, Viking Reinsurance Company, Jerry R. Whitaker, and Michael H. White.

In all other respects, the request of Matthew Maguire, Patrick Maguire, and the Boustead Defendants to dismiss Count 4 of the Complaint is **DENIED**.

6. Count 5 of the Complaint for *Violation of Sections 501 and 503 of the PSA against Defendant Robert Lewis* is:

- (a) **DISMISSED** as to any claim for relief against Lewis under 70 P.S. § 1-501;
- (b) **DISMISSED** as to all claims brought by the following Out-of-State Plaintiffs: Ronald Cindrich, Clariot New Albany, Cowen OJ Investment, LLC; DelMetro, Inc.; Stephen Einhorn; The Harding-Brown Family Trust; Timothy Hoeksema; Jeffrey Joerres; Dennis J. Kuester; Mitchell Elias Nabra, M.D.; William Nasgovitz; Ortech Ltd.; Triad Investments, Inc.; The Christian Luke Ronald Vadas 2016 Trust; The Simon Isaac Young Vadas 2016 Trust; Jerry R. Whitaker; Michael H. White; The Gregory S. Zenczak Family Dynasty Trust; and The Stephen J. Zenczak Family Dynasty Trust;

- (c) **DISMISSED** as to all claims brought by the following Rule 9(b) Plaintiffs: Clement R. Austin, William Benter, Ronald Cindrich, DelMetro, Inc., Corina Diehl, Michael J. Lewis, North Star Coal Co. Non-Bargaining Employees Profit Sharing Plan, William Sarris, Sheertex Fabrics, LLC, Steven G. Smith, and David Tesone Group, Inc; and
- (d) **DISMISSED** as to the following plaintiffs: Woody Partners, Aloe Brothers, LLC, David Aloe, Kevin Altomari, Robert and Marion Auray, Clement R. Austin, William Benter, Richard Berglund, Blair Oak Investments, LP, Ronald Cindrich, Clariot New Albany, Eugene Connors and Tina Houmis, Andrew Constantakis, Nicholas and Veronica Constantakis, Cowen OJ Investment, LLC, DelMetro, Inc., Robert Denove, Corina Diehl, Stephen Einhorn, Flighthawk, LLC, John A. and Carolyn George, The Harding-Brown Family Trust, Timothy Hoeksema, William E. Hunt, Jeffrey Joerres, James R. and Matthew Johnson, Scott Kern, Keith Kronk, Dennis J. Kuester, Michael J. Lewis, James Liken, Randy Lueth, David Matter, Kenneth C. McCrory, William Nasgovitz, North Star Coal Co. Non-Bargaining Employees Profit Sharing Plan, Ortech Ltd., Robert A. Pietandrea, James and Gail Restivo, Susan Rosen, William Sarris, 7th Street Properties, LP, Sheertex Fabrics, LLC, Jack W. Shilling, Steven G. Smith, David Tesone Group, Inc., Derek J. Thomas, Triad Investments, Inc., Viking Reinsurance Company, Jerry R. Whitaker, Michael H. White, The Gregory S. Zenczak Family Dynasty Trust, and The Stephen J. Zenczak Family Dynasty Trust.

In all other respects, the request of Robert Lewis to dismiss Count 5 of the Complaint is **DENIED**.

7. Count 6 of the Complaint for *Aiding and Abetting Liability Under Common*

Law Principles against Defendant Robert Lewis is:

- (a) **DISMISSED** as to the following plaintiffs: Woody Partners, Aloe Brothers, LLC, David Aloe, Kevin Altomari, Robert and Marion Auray, Clement R. Austin, William Benter, Richard Berglund, Blair Oak Investments, LP, Ronald Cindrich, Clariot New Albany, Eugene Connors and Tina Houmis, Andrew Constantakis, Nicholas and Veronica Constantakis, Cowen OJ Investment, LLC, DelMetro, Inc., Robert Denove, Corina Diehl, Stephen Einhorn, Flighthawk, LLC, John A. and Carolyn George, The Harding-Brown Family Trust, Timothy Hoeksema, William E. Hunt, Jeffrey Joerres, James R. and Matthew Johnson, Scott Kern, Keith Kronk, Dennis J. Kuester, Michael J. Lewis, James Liken, Randy Lueth, David Matter, Kenneth C. McCrory, William Nasgovitz, North Star Coal Co. Non-Bargaining Employees Profit Sharing Plan, Ortech Ltd.,

Robert A. Pietandrea, James and Gail Restivo, Susan Rosen, William Sarris, 7th Street Properties, LP, Sheertex Fabrics, LLC, Jack W. Shilling, Steven G. Smith, David Tesone Group, Inc., Derek J. Thomas, Triad Investments, Inc., Viking Reinsurance Company, Jerry R. Whitaker, Michael H. White, The Gregory S. Zenczak Family Dynasty Trust, and The Stephen J. Zenczak Family Dynasty Trust.

In all other respects, the request of Robert Lewis to dismiss Count 6 of the Complaint is **DENIED**.

8. Count 7 of the Complaint for *Aiding and Abetting Liability Under Common Law Principles against Defendants Robert Lewis and David Minnotte* is **DISMISSED**.

9. Count 8 of the Complaint for *Negligent Misrepresentation against Defendants Melvin Pirchesky, Robert Campbell, and Boustead Securities, LLC* is:

- (a) **DISMISSED** as to Defendant, Robert Campbell;
- (b) **DISMISSED** with respect to the Non-Broker Plaintiffs: Clement R. Austin, B5S, LLC, William Benter, Richard Berglund, Ronald Cindrich, Clariot New Albany, Cowen OJ Investment, LLC, DelMetro, Inc., Robert Denove, Corina Diehl, Stephen Einhorn, The Harding-Brown Family Trust, Timothy Hoeksema, Jeffrey Joerres, Scott Kern, Keith Kronk, Dennis Kuester, David Matter, Kenneth McCrory, Mitchell Elias Nagra, M.D., William Nasgovitz, North Star Coal Co. Non-Bargaining Employees Profit Sharing Plan, Susan Rosen, James V. Sacco, William Sarris, 7th Street Properties, LP, Sheertex Fabrics, LLC, Jack W. Shilling, Steven G. Smith, David Tesone Group, Inc., Derek J. Thomas, The Christian Luke Ronald Vadas 2016 Trust, The Simon Isaac Young Vadas 2016 Trust, Viking Reinsurance Company, Jerry R. Whitaker, and Michael H. White; and
- (c) **DISMISSED** with respect to the Zenczak Plaintiffs: Orttech Ltd., Triad Investments, Inc., The Gregory S. Zenczak Family Dynasty Trust, and The Stephen J. Zenczak Family Dynasty Trust.

In all other respects, the request of Boustead Securities LLC and Melvin Pirchesky to dismiss Count 8 of the Complaint are **DENIED**.

10. All claims marked for dismissal in this Order shall be dismissed with prejudice.

11. To provide clarity, a summary of the remaining claims is attached hereto as Attachment 1.

12. Any answer to the Complaint shall be filed by **June 22, 2020**.

13. The Court shall conduct a telephonic status conference on **June 11, 2020** at **1:00 p.m.** in Courtroom A 54th Floor U.S. Steel Tower, 600 Grant St., Pittsburgh, PA. All counsel and parties-in-interest who intend to participate in the hearing must register with CourtCall at (866) 582-6878 (and arrange for payment of the regular charge) no later than twenty-four (24) hours prior to the scheduled hearing. During this temporary period, parties need not seek leave of the Court to participate telephonically, but instead, can contact CourtCall directly. All telephonic participants shall comply with Judge Taddonio's telephonic procedures (as recently modified) located on the Court's webpage at: www.pawb.uscourts.gov/sites/default/files/pdfs/glt-proc-tele.pdf.

Dated: May 22, 2020



GREGORY J. TADDONIO
UNITED STATES BANKRUPTCY JUDGE

Case administrator to mail to:

James Cooney, Esq.
Brian Bisignani, Esq.
Patrick Cavanaugh, Esq.
Zachary Gordon, Esq.
George Fitting, Esq.
Jerry Stubenhofer, Esq.
Jason Ott, Esq.
Jason Shedlock, Esq.
Stephanie Short, Esq.
Keith Whitson, Esq.

**ATTACHMENT 1:
SUMMARY OF REMAINING CLAIMS**

Count 1: *Violation of Section 501 of the Pennsylvania Securities Act (“PSA”):*

Plaintiffs:	Defendants:
Woody Partners Aloe Brothers, LLC Aloe, David Altomari, Kevin Auray, Robert and Marion B5S, LLC Berglund, Richard Blair Oak Investments, LP Connors, Eugene and Tina Houmis Constantakis, Andrew Constantakis, Nicholas and Veronica Denove, Robert Flighthawk, LLC George, John A. and Carolyn D. Hunt, William E. Johnson, James R. and Matthew Kern, Scott Kronk, Keith Liken, James Lueth, Randy Matter, David McCrary, Kenneth C. Pietandrea, Robert A. Restivo, James and Gail Rosen, Susan Sacco, James V. 7th Street Properties, LP Shilling, Jack W. Thomas, Derek J. Viking Reinsurance Company	Matthew Maguire

Count 2: *Violation of Sections 403 and 501 of the PSA against Defendants Melvin Pirchesky, Robert Campbell, and Boustead Securities, LLC is **DISMISSED**.*

Count 3: *Violation of Section 503 of the PSA against Defendants Matthew Maguire, Patrick Maguire, Melvin Pirchesky, Robert Campbell, and Boustead Securities, LLC:*

Plaintiffs:		Defendants:
Woody Partners Aloe Brothers, LLC Aloe, David Altomari, Kevin Auray, Robert and Marion B5S, LLC Berglund, Richard Blair Oak Investments, LP Connors, Eugene and Tina Houris Constantakis, Andrew Constantakis, Nicholas and Veronica Denove, Robert Flighthawk, LLC George, John A. and Carolyn D. Hunt, William E. Johnson, James R. and Matthew Kern, Scott Kronk, Keith Liken, James Lueth, Randy Matter, David McCrory, Kenneth C. Pietandrea, Robert A. Restivo, James and Gail Rosen, Susan Sacco, James V. 7th Street Properties, LP Shilling, Jack W. Thomas, Derek J. Viking Reinsurance Company		Patrick Maguire

Count 3: *Violation of Section 503 of the PSA against Defendants Matthew Maguire, Patrick Maguire, Melvin Pirchesky, Robert Campbell, and Boustead Securities, LLC*
(Continued):

Plaintiffs:		Defendants:
Woody Partners Aloe Brothers, LLC Aloe, David Altomari, Kevin Auray, Robert and Marion Blair Oak Investments, LP Connors, Eugene and Tina Houmis Constantakis, Andrew Constantakis, Nicholas and Veronica Flighthawk, LLC George, John A. and Carolyn D. Hunt, William E. Johnson, James R. and Matthew Liken, James Lueth, Randy Pietandrea, Robert A. Restivo, James and Gail		Boustead Securities, LLC Melvin Pirchesky

Count 4: *Aiding and Abetting Liability Under Common Law Principles against Defendants Matthew Maguire, Patrick Maguire, Melvin Pirchesky, Robert Campbell, and Boustead Securities, LLC:*

Plaintiffs:		Defendants:
Woody Partners Aloe Brothers, LLC Aloe, David Altomari, Kevin Auray, Robert and Marion Austin, Clement R. B5S, LLC Benter, William Berglund, Richard Blair Oak Investments, LP Cindrich, Ronald Clariot New Albany Connors, Eugene and Tina Houmis Constantakis, Andrew Constantakis, Nicholas and Veronica Cowen OJ Investment, LLC DelMetro, Inc. Denove, Robert Diehl, Corina Einhorn, Stephen Flighthawk, LLC George, John A. and Carolyn D. The Harding-Brown Family Trust Hoeksema, Timothy Hunt, William E. Joerres, Jeffrey Johnson, James R. and Matthew Kern, Scott Kronk, Keith Kuester, Dennis J. Lewis, Michael J. Liken, James Lueth, Randy Matter, David McCrory, Kenneth C. Nahra, M.D., Mitchell Elias Nasgovitz, William North Star Coal Co. Non-Bargaining Employees Profit Sharing Plan Orttech Ltd.		Matthew Maguire Patrick Maguire

<p>Pietandrea, Robert A. Restivo, James and Gail Rosen, Susan Sacco, James V. Sarris, William 7th Street Properties, LP Sheertex Fabrics, LLC Shilling, Jack W. Smith, Steven G. David Tesone Group, Inc. Thomas, Derek J. Triad Investments, Inc. The Christian Luke Ronald Vadas 2016 Trust The Simon Isaac Young Vadas 2016 Trust Viking Reinsurance Company Whitaker, Jerry R. White, Michael H. The Gregory S. Zenczak Family Dynasty Trust The Stephen J. Zenczak Family Dynasty Trust</p>		
<p>Woody Partners Aloe Brothers, LLC Aloe, David Altomari, Kevin Auray, Robert and Marion Blair Oak Investments, LP Connors, Eugene and Tina Houmis Constantakis, Andrew Constantakis, Nicholas and Veronica Flighthawk, LLC George, John A. and Carolyn D. Hunt, William E. Johnson, James R. and Matthew Lewis, Michael J. Liken, James Lueth, Randy Orttech Ltd. Pietandrea, Robert A. Restivo, James and Gail Triad Investments, Inc. The Gregory S. Zenczak Family Dynasty Trust The Stephen J. Zenczak Family Dynasty Trust</p>		<p>Boustead Securities, LLC Melvin Pirchesky</p>

Count 5: *Violation of Section 503 of the PSA against Defendant Robert Lewis:*

Plaintiffs:		Defendants:
B5S, LLC Sacco, James V.		Robert Lewis

Count 6: *Aiding and Abetting Liability Under Common Law Principles against Defendant Robert Lewis:*

Plaintiffs:		Defendants:
B5S, LLC Nahra, M.D., Mitchell Elias Sacco, James V. The Christian Luke Ronald Vadas 2016 Trust The Simon Isaac Young Vadas 2016 Trust		Robert Lewis

Count 7: *Aiding and Abetting Liability Under Common Law Principles against Defendants Robert Lewis and David Minnotte is **DISMISSED**.*

Count 8: *Negligent Misrepresentation against Defendants Melvin Pirchesky, Robert Campbell, and Boustead Securities, LLC:*

Plaintiffs:		Defendants:
Woody Partners Aloe Brothers, LLC Aloe, David Altomari, Kevin Auray, Robert and Marion Blair Oak Investments, LP Connors, Eugene and Tina Houmis Constantakis, Andrew Constantakis, Nicholas and Veronica Flighthawk, LLC George, John A. and Carolyn D. Hunt, William E. Johnson, James R. and Matthew Lewis, Michael J. Liken, James Lueth, Randy Pietandrea, Robert A. Restivo, James and Gail		Boustead Securities, LLC Melvin Pirchesky

